GOVERNMENT OF INDIA
FINANCE
LOK SABHA

UNSTARRED QUESTION NO:905
ANSWERED ON:25.07.2003
PRICE OF COMPAQ DISC
AVSM, BRIG.(RETD.) KAMAKHYA PRASAD SINGH DEO

Will the Minister of FINANCE be pleased to state:

(a) whether in spite of cut in excise duty on Compaq Disc, the prices remain unchanged;

(b) if so, the reasons therefor;

(c) whether the Government propose to take action so that the prices come down along with duty cut; and

(d) if so, the details thereof?

Answer

MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI ANANDRAO V. ADSUL)

(a) As per information available with the Government, prices of compact dics of some leading manufacturers have come down after the excise duty exemption was announced in the budget of 2003-2004.

(b) does not arise in view of (a) above.

(c) & (d) No, Sir. The prices charged to the consumers are determined by market forces of demand and supply and depend on various factors like cost of inputs, product quality, sales promotion cost, trade commission, freight charges and taxes. Excise duty is only one of the elements in the price.